

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

JANE DOE 2,

Plaintiff,

v.

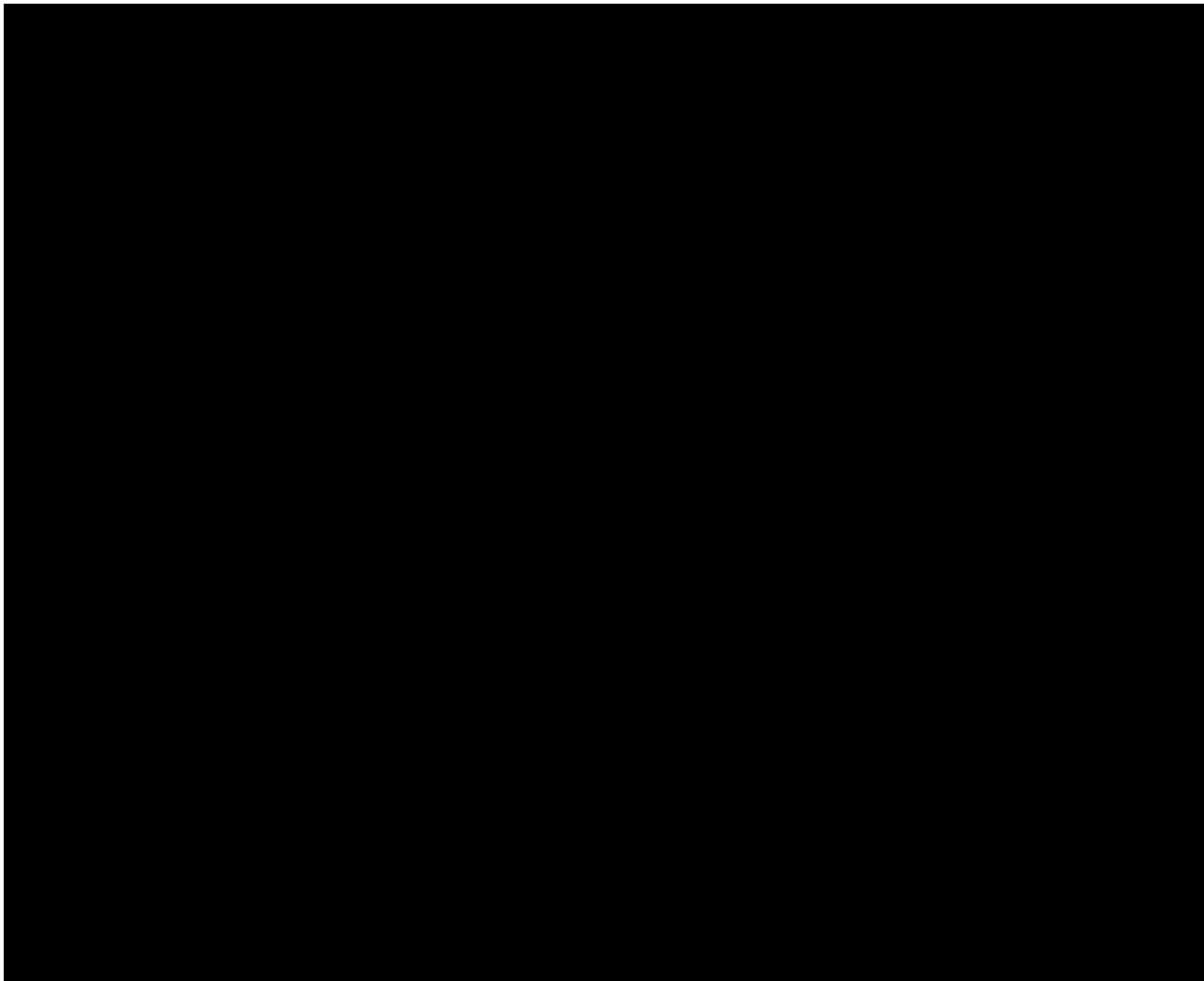
RED ROOF INNS, INC., VARAHI
HOTEL, LLC, FMW RRI NC, LLC,
WESTMONT HOSPITALITY GROUP,
INC., RRI III, LLC, WHG SU ATLANTA,
LP, SUB-SU HOTEL GP, LLC, CHOICE
HOTELS INTERNATIONAL, INC.,
WYNDHAM HOTELS & RESORTS,
INC., MICROTEL INNS AND SUITES
FRANCHISING, INC., KUZZINS
BUFORD, LLC, RAMADA
WORLDWIDE INC., NEWTEL V
CORPORATION, CPLG HOL, LLC,
CPLG PROPERTIES, LLC,
COREPOINT LODGING, INC., LQ
MANAGEMENT, LLC, LA QUINTA
WORLDWIDE, LLC, HAMENT DESAI,
VAD PROPERTY MANAGEMENT, LLC,
VANTAGE HOSPITALITY GROUP,
INC., 2014 SE OWNER 5-EMORY, LLC,
LAXMI DRUID HILLS HOTEL, LLC,
JHM HOTELS MANAGEMENT, INC.,
AURO HOTELS MANAGEMENT, LLC,
HILTON FRANCHISE HOLDINGS,
LLC, HILTON DOMESTIC
OPERATING COMPANY, INC.,
HILTON WORLDWIDE HOLDINGS,
INC. and JOHN DOES 1-10.

Defendants.

Civil Action No.
1:19-cv-03841

JURY TRIAL DEMANDED,
Pursuant to Fed. R. Civ. P. 38

[CORRECTED] AMENDED COMPLAINT



FACTUAL ALLEGATIONS

I. Sex Trafficking

73. Human sex trafficking is modern-day slavery. Its victims, mostly women and children, are enslaved in the commercial sex industry for little or no money.

74. Sex trafficking is the use of force, fraud, or coercion to recruit, harbor, transport, or obtain persons for the purpose of inducing them to engage in a commercial sex act.

75. The business of human sex trafficking is organized and violent. Victims are locked up, drugged, beaten, terrorized, and raped repeatedly. This continual abuse, along with financial, psychological, and emotional manipulation, enables traffickers to control their victims. Victims are methodically “broken” and controlled by their trafficker through coercive trauma bonding, among other techniques, resulting in an inability of the trafficking victim to act independently of a trafficker, including failing to take advantage of potential opportunities to escape.

76. The business of human sex trafficking is organized and violent. Victims are locked up, drugged, beaten, terrorized, and raped repeatedly. This continual abuse, along with financial, psychological, and emotional manipulation, enables traffickers to control their victims. Victims are so afraid of and intimidated by their traffickers that they rarely speak out against traffickers, and they rarely take advantage of any opportunities to escape their traffickers.

77. Beginning more than two decades ago, a nationwide effort commenced to name, recognize, and raise the awareness of the evils of sex and labor

trafficking. That effort resulted in the passage of the Trafficking Victims Protection Act in 2000, and the United Nations' adoption of the Palermo Protocol, to prevent, suppress, and punish trafficking in persons.

II. Metro Atlanta Has Long Been Known As A Sex Trafficking Hub

78. According to a study commissioned by the U.S. Department of Justice, Atlanta has one of, if not the, largest illegal sex trafficking economies in the country. It is also one of the most profitable cities in the country for sex traffickers. In 2007, Atlanta's sex trafficking economy was worth \$290 million annually, and traffickers reported average *weekly* earnings of roughly \$33,000.⁸

79. Sex trafficking in Atlanta has been front-page news since at least 2001, when the Atlanta Journal-Constitution published Jane Hansen's

⁸ See Christian Boone, *Study: Atlanta's Sex Trade Highly Profitable*, Atlanta Journal-Constitution, (March 13, 2014) <https://www.ajc.com/news/crime--law/study-atlanta-sex-trade-highly-profitable/GiuU5vZdoUo5vdUYSaOBNM/> (last visited Nov. 20, 2019); see also Meredith Dank, et.al, *Estimating the Size and Structure of the Underground Commercial Sex Economy in Eight Major US Cities*, Urban Institute, (March 12, 2014), 30–32, available at <https://www.urban.org/research/publication/estimating-size-and-structure-underground-commercial-sex-economy-eight-major-us-cities> (last visited Aug. 3, 2019).

groundbreaking series, *Selling Atlanta's Children*.⁹ And the FBI has ranked

Atlanta as one of the worst cities in the country for child sex trafficking.¹⁰

80. Years before Jane Doe 2 was trafficked, Defendants knew or should have known of the widespread national epidemic of hotel sex trafficking and Atlanta's well-publicized reputation as the country's "epicenter for human trafficking, and particularly child sex trafficking,"¹¹ that sex trafficking in

⁹ Hansen's series is attached as Exhibit 3. Jane O. Hansen, *Selling Atlanta's Children: Runaway Girls Lured into the Sex Trade are being Jailed for Crimes while their Adult Pimps go Free*, The Atlanta Journal-Constitution, Jan. 7, 2001; Jane O. Hansen, *The Pimps: Prostitution's Middle Man Slides by in Court*, The Atlanta Journal-Constitution, Jan. 7, 2001; Jane O. Hansen, *Feds, Police Elsewhere Finding Solutions*, The Atlanta Journal-Constitution, Jan. 8, 2001 ("Atlanta City Councilman Derrick Boazman said it's also time to crack down on hotels where adult men take children. 'We need to go after these hotel owners who should know what's happening when someone walks in with a 13-year-old girl,' Boazman said."); Jane O. Hansen, *When Danger is as Close as a Phone*, The Atlanta Journal-Constitution, Jan. 9, 2001; Jane O. Hansen, *Police Plan Child Prostitution Unit*, The Atlanta Journal-Constitution, April 28, 2001. See also, Jane O. Hansen, *Selling Atlanta's Children: What Has and Hasn't Changed*, Special to CNN, July 18, 2015, <https://www.cnn.com/2015/07/17/us/child-sex-trafficking-update-hansen/index.html> (last visited Nov. 20, 2019)

¹⁰ Chris Swecker testimony to the Commission on Security and Cooperation in Europe United States Helsinki Commission, *Exploiting Americans on American Soil: Domestic Trafficking Exposed*, The Federal Bureau of Investigation, (June 7, 2005), available at <https://archives.fbi.gov/archives/news/testimony/exploiting-americans-on-american-soil-domestic-trafficking-exposed> (last visited Nov. 20, 2019).

¹¹ Sally Yates, Remarks at Justice Department Event Marking National Slavery and Human Trafficking Prevention Month, (Jan. 29, 2015), available at <https://www.justice.gov/opa/speech/acting-deputy-attorney-general-sally-quillian-yates-delivers-remarks-justice-department> (last visited Nov. 20, 1824210.1)

Atlanta was an “epidemic of tragic proportions,”¹² and that trafficking was prevalent in hotels in Atlanta.

III. Hotels Are Complicit In Sex Trafficking

81. Numerous participants in the hotel industry—like Defendants—have decided to participate in sex trafficking ventures to reap the profit generated by the forced sexual servitude of victims like Jane Doe 2. As a result, these actors in the hotel industry play a central role in perpetuating sex trafficking.

A. Hotels Are a Critical Part of the Sex Trafficking Industry

82. Without the complicity of hotels, where illicit sexual encounters are taken off the street and cloaked in the anonymity of a hotel’s customers, the sex trafficking industry would be significantly disrupted. This obvious fact has been noted by experts and justices of the United States Supreme Court.

2019) (“Atlanta . . . has been an epicenter for human trafficking, and particularly child sex trafficking. There are varying reports, some identifying Atlanta as the number one city for child sex trafficking, others ranking it somewhat lower. I think that it’s actually hard to quantify those numbers, but it is clear that whatever the number, it is way too high.”).

¹² Nina Hickson, *An Epidemic of Tragic Proportions*, Atlanta Journal-Constitution, June 11, 2000, attached hereto as Exhibit 4. *See also* Letitia Campbell, *Selling Our Children: Atlanta Does Battle Against the Sex Trafficking of Kids*, Sojourners Magazine, <https://www.questia.com/magazine/1G1-234920022/selling-our-children-atlanta-does-battle-against> (last visited Nov. 20, 2019) (discussing Judge Hickson’s editorial and noting the creation of a large and well-established coalition of advocates in Atlanta publicizing sex trafficking in the city).

In 2015, Justice Antonin Scalia, joined in dissent by Chief Justice John Roberts and Justice Clarence Thomas, noted that,

Motels . . . are also a particularly attractive site for criminal activity ranging from drug dealing and prostitution to human trafficking. Offering privacy and anonymity on the cheap, they have been employed as . . . rendezvous sites where child sex workers meet their clients on threat of violence from their procurers.

City of Los Angeles v. Patel, 135 S. Ct. 2443, 2457 (2015).

83. Ninety-two percent of the calls received by the National Human Trafficking Hotline involving hotels and motels reported sex trafficking, and another two percent reported a combination of sex and labor trafficking.¹³ A 2012 study found that 63 percent of trafficking incidents occurred in hotels.¹⁴ And the Polaris Project found that “75% of [trafficking] survivors responding to Polaris’s survey reported coming into contact with hotels at some point

¹³ *Human Trafficking and the Hotel Industry*, Polaris Project, <https://polarisproject.org/sites/default/files/human-trafficking-hotel-industry-recommendations.pdf> (last visited Nov. 20, 2019).

¹⁴ Jon Conte, *et al.*, *Inhospitable to Human Trafficking Program Evaluation*, at 2, Businesses Ending Slavery and Trafficking, (July 2014), https://www.bestalliance.org/uploads/5/0/0/4/50047795/itt_program_evaluation.11_without_appendix.pdf at 5 (last visited Nov. 20, 2019).

during their exploitation Unfortunately, 94% also disclosed that they never received any assistance, concern, or identification from hotel staff.”¹⁵

84. *Attorneys for the hotel industry* estimated and reported to hotel industry representatives that eight out of ten human trafficking arrests occur in or around hotels.¹⁶

85. A number of hotels in Atlanta, including the Defendants’ hotels, accommodate, facilitate, and participate in the sex trafficking of women, men, and children in Atlanta. Victims, including Jane Doe 2, were and are rotated through these hotels in a cycle of exploitation, sometimes staying at one hotel for weeks or months.

86. A significant percentage of the revenue generated in Atlanta’s sex trafficking economy is funneled directly to hotels via the daily rental of the hotel rooms needed to harbor, exploit, and sell victims, including Jane Doe 2.¹⁷

¹⁵ *Hotels and Motels Recommendations*, The Polaris Project, <https://polarisproject.org/hotels-motels-recommendations> (last visited Nov. 20, 2019).

¹⁶ Rich Keating, *Human Trafficking: What Is It and How It Impacts the Hospitality Industry*, Presentation Delivered at AHIA Sprint Conference 2013, Washington, D.C., http://www.ahiattorneys.org/aws/AHIA/asset_manager/get_file/92983 at 6 (last visited Nov. 20, 2019).

¹⁷ Dank *et al.*, *supra* note 8, at 123 (finding that, in Atlanta, “most [sex] transactions occur in hotels and motels.”); *id.* at 224 (noting the

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B. The Presence of Sex Trafficking and Measures to Prevent It Have Been Known in the Hotel Industry for Decades

87. Recognizing the pervasiveness of sex trafficking in the hospitality industry, End Child Prostitution and Trafficking (ECPAT-USA) launched the Tourism Child-Protection Code of Conduct (the “Code”) in the United States **in 2004.**¹⁸ And while ECPAT focuses primarily on child sex trafficking, many of the steps it advocates are designed to prevent all forms of sex trafficking.

88. The Code is well-known in the hospitality industry. It identifies six steps companies can take to prevent child sex trafficking:

- (1) establish corporate policy and procedures against sexual exploitation of children;
- (2) train employees in children’s rights, the prevention of sexual exploitation and how to report suspected cases;

“overwhelming use of hotels and motels” and finding that “[h]otel and motel rooms were a primary expense for many sex workers Sex workers noted that often, hotel and motel staff members and managers knew that sex was being traded in their venues but did not attempt to stop the work”); *see also id.* (graph at 224 showing that the most common location for commercial sex acts to occur, at 66.7 percent, is at hotels and motels); *id.* at 103 (“Despite the thousands of dollars that are made in a week, there are operational costs associated with the business.”); *id.* at 191 (“The costs of operating and facilitating sex work varied greatly across pimps, though this study identifies some common costs. Pimps routinely covered costs associated with employee housing, transportation, employee appearance and personal appearance, advertisements, and hotels and motels.”); *id.* at 203 n.65 (“Hotels were the most common location of in-calls for respondents.”).

¹⁸ See *The Tourism Child-Protection Code of Conduct*, ECPAT-USA, available at www.ecpatusa.org/code/ (last visited Nov. 20, 2019).

- (3) include a clause in further partner contracts stating a common repudiation and zero tolerance policy of sexual exploitation of children;
- (4) provide information to travelers on children's rights, the prevention of sexual exploitation of children and how to report suspected cases;
- (5) support, collaborate and engage stakeholders in the prevention of sexual exploitation of children; and
- (6) report annually on the company's implementation of Code-related activities.

89. ECPAT is only one of several organizations that have sought for years to help hotels address the scourge of sex trafficking and other human trafficking at hotels.

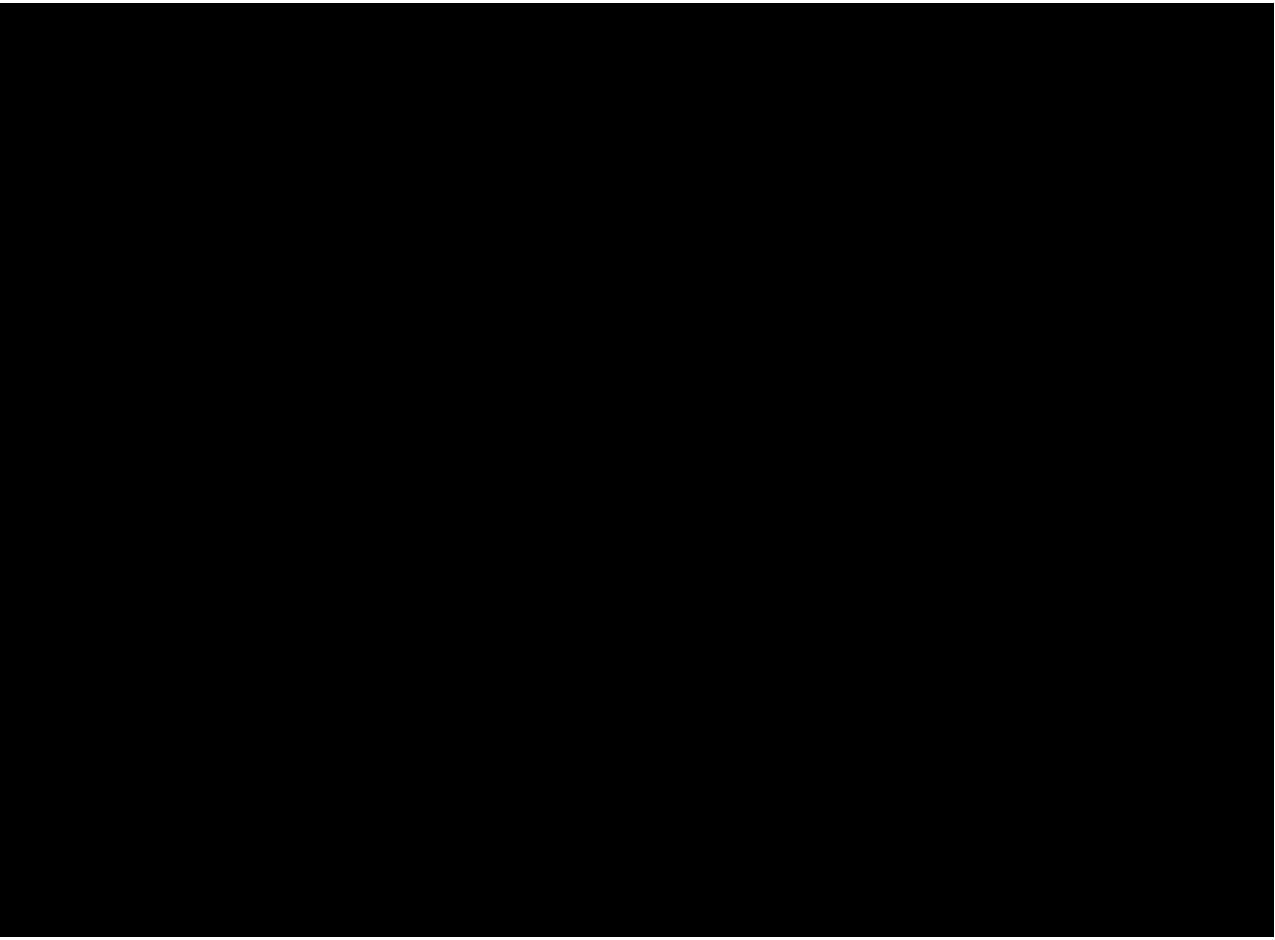
90. The Department of Homeland Security ("DHS") identifies a number of warning signs that indicate the presence of human trafficking at hotels. According to DHS, housekeeping, room service, maintenance, concierge, bellman, front desk, food and beverage, security, and valet staff at hotels all can and should be vigilant in observing indicia of human trafficking on the hotel premises such as:

- a. persons who show signs of malnourishment, poor hygiene, fatigue, sleep deprivation, untreated illness, injuries, and/or unusual behavior;
- b. persons who lack freedom of movement or are constantly monitored;

- c. persons who have no control over or possession of money or ID;
- d. persons who dress inappropriately for their age or have lower quality clothing compared to others in their party;
- e. requests for room or housekeeping services (additional towels, new linens, etc.), but denial of hotel staff entry into the room;
- f. the presence of multiple computers, cell phones, pagers, credit card swipers, or other technology in the room;
- g. extended stay with few or no personal possessions in the room;
- h. excessive amounts of sex paraphernalia in rooms (condoms, lubricant, lotion, etc.);
- i. the same person reserves multiple rooms;
- j. a room is rented hourly, less than a day, or for an atypical extended stay;
- k. attempts to sell items to or beg from patrons or staff;
- l. cars in the parking lot regularly parked backward, so the license plates are not visible;
- m. loitering and solicitation of male patrons;
- n. waiting at a table or bar and picked up by a male (trafficker or customer);
- o. persons asking staff or patrons for food or money; and

p. persons taking cash or receipts left on tables.¹⁹

91. Hotel industry participants, including Defendants, were repeatedly warned not to turn a blind eye to sex trafficking. For example, at a 2013 hotel industry presentation, representatives for the industry were informed, among other things, to “Make sure hotel not complicit,” “Manager not looking the other way,” and “No pay off for silence or lack of curiosity.”²⁰



¹⁹ U.S. Dep’t of Homeland Security, *Human Trafficking and the Hospitality Industry*, <https://www.dhs.gov/blue-campaign/hospitalityindustry> (last visited Nov. 20, 2019).

²⁰ Keating, *supra* n.16 at 19.